



Genesis Misunderstood/ Undiscovered

41 W. 57th Street
Third Floor
New York, NY 10019

1-800-571-0661
1-877-984-6300

Michael Williams
mike@genesism.com

Tom Palka
tom@genesism.com

www.genesism.com

Investment Objective Overview

Each portfolio under the management arm of **Genesis Asset Management, LLC** seeks long-term, tax-beneficial capital appreciation and will invest in companies of all sizes that exhibit the characteristics of the given portfolio strategy. Using our proprietary modeling methods, this may include: accelerating revenue growth, accelerating earnings growth, market leadership, reasonable valuation, and other characteristics consistent with the underlying investment philosophies of the specific portfolio model in question. There are currently four (4) models offered publicly.

Portfolio Format

Our portfolios are exclusively offered as separately managed accounts.

Low Minimum Investment

15 Stock Portfolios - \$150,000
30 Stock Portfolios - \$300,000

Portfolio Model:

Genesis Misunderstood/Undiscovered

In this portfolio, we begin by scoring *all* companies in our tracking universe at the beginning of each quarter. Using our proprietary mathematical analysis, each portfolio is comprised of 15 holdings providing a diversified series of large, medium, and small-sized companies. We limit any sector weighting to no more than 20% of each portfolio.

This **multi-dimensional diversification format** has provided historically stable volatility levels. The portfolio is designed to be held for one year. At the end of each holding period, the entire universe we track is analyzed again and the portfolio is rebalanced. If there are positions to be sold at a loss, we will do so prior to the one-year anniversary. Those that have gains will be held to a point that provides for long-term capital gains. The only element we cannot control is when our companies are bought out by another company or private party. It should be noted that historical results show roughly 21% of chosen holdings in the past have been bought out or taken private prior to the end of the holding period. Please note that this often results in short-term gains. Further, it is important to understand that this portfolio, more than our other models, **often** includes much smaller companies. This can lead to increased volatility during certain periods in the market.



Genesis Misunderstood/ Undiscovered

All review charts included herein illustrate the hypothetical results of a \$10,000 investment in a hypothetical portfolio of stocks and are NOT intended to warrant or imply any level of future performance, nor are they an offer to purchase any security. The results shown in the illustrations may not be attainable with any portfolio of stocks in the future.

Investors MUST diligently consider their own specific investment objectives and risk perspectives/tolerance. All additional charges, fees and trade costs as well as all disclosure notes included herein, along with any tax consequences should be carefully reviewed before investing.

41 W. 57th Street
Third Floor
New York, NY 10019

1-800-571-0661

1-877-984-6300

Michael Williams
mike@genesism.com

Tom Palka
tom@genesism.com

www.genesism.com

Quantitatively - Based Portfolios

We stress fundamental, statistical analysis of clean, publicly-available filings in order to eliminate as much of the emotional input as possible during the portfolio selection process. We have found that there are a handful of key metrics and numbers from company balance sheets, income statements and cash flows that tend to drive valuations and hence, investment risk. Our portfolio modeling is run each quarter so that newly established accounts are using the most current data. While proprietary in nature, our portfolio selections possess the traits most common to historically better performing companies:

- » Pace of Growth in Revenues
- » Increasing Earnings
- » Reasonable Valuations
- » Multi-dimensional Diversification
- » Attractive Internal Pricing Ratios
- » Favorable Supply & Demand Balance
- » Sector Leadership
- » High Cash Flows

Annual Results*	S&P 500 Index	Genesis SP 500	Genesis M/U	Genesis Core Blend	Genesis SC 600
2006	15.8%	23.5%	29.2%	26.4%	34.1%
2005	4.9%	28.2%	21.4%	24.8%	33.2%
2004	10.9%	25.5%	12.5%	19.0%	11.4%
2003	28.7%	26.9%	83.3%	55.1%	34.5%
2002	(22.1%)	(9.0%)	3.8%	(2.6%)	0.6%
2001	(11.9%)	(1.4%)	50.9%	24.7%	21.1%
2000	(9.1%)	4.8%	18.5%	11.6%	1.9%
1999	21.0%	22.7%	17.0%	19.9%	22.0%
1998	28.6%	20.5%	9.4%	15.0%	0.9%

Disclosures And Historical Ratios

Historical Ratios

Ratios	S&P 500 Index	Genesis SP 500 Growth	Genesis M/U	Genesis Core Blend	Genesis SC 600
Annualized Return(%)	6.0%	15.0%	25.4%	20.7%	16.9%
Beta	--	.65	.38	.55	.56

DISCLOSURES

THE PERFORMANCE INFORMATION HAS BEEN PREPARED BY GENESIS ADVISORS ("GA") AND HAS NOT BEEN INDEPENDENTLY VERIFIED. ALL INFORMATION USED FOR CALCULATIONS IS CONSIDERED TO BE FROM RELIABLE SOURCES BUT "GA" CANNOT ATTEST TO THEIR ACCURACY. THIS IS NOT INTENDED AS INVESTMENT ADVICE NOR IS THIS A SOLICITATION OR OFFER TO TRANACT IN ANY SECURITY OR THE MODELS LISTED. ADDITIONAL INFORMATION ABOUT "GA", INCLUDING INVESTMENT PROGRAMS, INVESTMENT MODELS, PERFORMANCE AND FEES CAN BE REVIEWED IN THE FORM ADV AND OBTAINED BY CONTACTING "GA" AT 1-800-571-0661 OR 1-877-984-6300. PERFORMANCE NUMBERS, WHEREVER REFERENCED, ARE CALCULATED USING THE JANUARY PORTFOLIO POSITIONS. PORTFOLIOS STARTED IN A MONTH OTHER THAN JANUARY MAY HOLD DIFFERENT POSITIONS AND WILL EXPERIENCE DIFFERENT RETURNS WHICH MAY BE BETTER OR WORSE THAN THE JANUARY MODEL REFERENCED IN THIS PRESENTATION. THE GBU30 MODEL MAY INCLUDE A SECURITY THAT IS NOT IN THE UJ15 AND SPY15 IF THOSE TWO MODEL CALCULATIONS DUPLICATE A SECURITY. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RETURNS. RESULTS, NUMBERS AND GRAPHS PRIOR TO 09/30/05 REPRESENT MODELED BACK-TESTED PERFORMANCE, WHICH DOES NOT REPRESENT ACTUAL TRADING BUT WAS ACHIEVED BY THE RETROACTIVE APPLICATION OF A MODEL. BACK-TESTED PERFORMANCE IS HYPOTHETICAL (IT DOES NOT REFLECT ACTUAL TRADING IN ACTUAL ACCOUNTS) AND IS PROVIDED TO INDICATE HISTORICAL PERFORMANCE HAD THE MODEL BEEN AVAILABLE OVER THE RELEVANT TIME PERIOD. BACK-TESTED FIGURES PRESENTED ARE BASED ON HYPOTHETICAL RESULTS ENDING SEPTEMBER 30TH, 2005 AND DO NOT REFLECT ANY ACTUAL MANAGED INVESTMENT ACCOUNT. "GA" DID NOT MANAGE CLIENT ASSETS IN OR OFFER SERVICES RELATIVE TO THESE MODELS PRIOR TO 9/30/05.

*Performance calculations assumed 5% cash holdings and reinvestment of dividends and or/earnings and was calculated annually. Stocks acquired by another company were not included in the past returns. Returns include the highest portfolio fee of 2.5% which includes management, and advisory fees. Actual returns will be impacted by market and economic factors. In addition, clients may impose investment restrictions on their accounts. Accordingly, simulated Model portfolio returns are not necessarily indicative of the returns that an actual client account would have achieved. Comparison of "GA's" Model returns to the returns of one or more specific indices is for illustrative purposes only. "GA" Models are less diversified than these indices, which may increase both the volatility and risk of client accounts. An investor cannot invest directly in an index. An index's performance does not reflect the deduction of transaction costs, management fees, or other costs which would reduce returns. These strategies involve the risk of loss. You should not assume that future performance results will be profitable or equal to implied past Model performance. There can be no assurance that any specific investment strategy will be profitable. The use of "GA's" Models and strategies may NOT be appropriate for certain investors. The use of these Models is NOT a substitute for personalized investment advice and investors should consult with an experienced financial advisor before investing or implementing any investment strategy.

Advisory services provided through Genesis Advisors, a registered investment advisor.